

**Insurance Department
Review Requirements Checklist**

**Personal Umbrella
(9)**

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
FORMS		
Applications		
Incorporated by reference	31A-21-106	Except as provided in this subsection an insurance policy may not contain any agreement or incorporate any provision not fully set forth in the policy, in an application, or other document at the time of delivery
Arbitration		
Permissible Arbitration	R590-122 – Bulletin 96-7	Policies that contain a binding arbitration provision are permitted, however mandatory binding arbitration may preempt an insured's access to some courts. See actual rule for disclosure statement
Bankruptcy Provision		
Provision of liability insurance	31A-22-201	Every liability insurance policy shall provide that the bankruptcy or insolvency of the insured may not diminish any liability of the insurer to third parties, and that if execution against the insured is returned unsatisfied, an action may be maintained against the insurer to the extent that the liability is covered by the policy.
Cancellation & Non-renewal		
Terminations of insurance policies by insurers (Cancellations)	31A-21-303 – Bulletin 96-7	Non payment cancels need 10 days notice after delivery, Cancellation for acceptable grounds (see code for breakdown) need 30 days notice after delivery, Cancellation in the 1 st 60 days need a 10 day notice after delivery.
Terminations of insurance policies by insurers (Non-Renewals)	31A-21-303 – Bulletin 96-7	Non-renewal notices need 30 days notice, Renewals need no more than 45 days but no less than 14 days prior to the due date of the renewal premium (see code for requirements). If insurer offers or purports to renew the policy, but on less favorable terms or at higher rates, the new terms or rates take effect on the renewal date when sent by first-class mail at least 30 days prior to expiration.
Filing Standards		
Filing of forms	31A-21-201- Rule R590-225	File and Use – Forms cannot be inequitable, unfairly discriminatory, misleading, deceptive, obscure, unfair, encourages misrepresentation, or not in the public interest
Policies, applications & certificates	31A-21-101	(a) Delivered or issued for delivery in this state; (b) on property ordinarily located in this state: (c) on persons residing in this state when the policy is issued; and (d) on business operations in this state.
Punitive Damages		
U/W limitations	31A-20-101– Bulletin 96-7	No insurer may insure or attempt to insure against punitive damages
Loss Settlement		
Unfair claim settlement practices	31A-26-303	No insurer or person representing an insurer may engage in any unfair claim settlement practice. Claim settlement practices may not be misleading, deceptive, unfairly discriminatory, overreaching, or an unreasonable restraint on competition (see code for detailed unfair practices)
Notice and proof of loss	31A-22-203, Bulletin 87-6	This statutory provision, in effect, allows unlimited time period for filing notice and /or proof of loss – as long as the claimant shows it was not reasonably possible to file the notice and/or proof of loss within the time period.
Unfair Property, Liability & Title Claims Settlement	R590-190	Minimum standards for the investigation and disposition of property, liability and title claims arising under contracts or certificates issued to residents of the State of Utah
RATING		
Pricing		
Rate Standards	31A-19a-201, 31A-19a-202	Rates may not be excessive, inadequate, or unfairly discriminatory
Rate filings	31A-19a-203, Rule R590-225	All rates, all supplementary information, and all changes in amendments to rates and supplementary information must be filed within 30 days of the date you start using them.
Rating Plan Requirements		
Rate modification plan rule	R590-121- Bulletin 96-7	Establishes a maximum, total modification for any rating plans that fit the rules – to a +/- 25%. No exceptions
Policy Rating Principles	R590-127- Bulletin 96-7	Experience Rating Plans, Rate Modification Plans, Schedule rating, Irpm plans, and Similar Plans Providing for Ranges of Rates, Tiered Rating, Unfair Discrimination, see Rule/ Bulletin for details
Tiered Rating	31A-19a-214	Tier Rating is permitted in Utah. However, we require the filing of the underwriting guidelines, which specify the criteria for placing a risk in a given tier. We also require actuarial data justifying the different tiers either by differences in expected losses and/or differences in expenses. This

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		information is required to permit the department to determine that the tiers are not unfairly discriminatory.
Terrorism		
Not allowed on personal lines products	Bulletin 2003-2	Terrorism exclusions are not allowed on personal lines products
General Filing References		
Frequent problems found in filings	Bulletin 96-7	See Bulletin
Claims made	Bulletin 86-5	See Bulletin
Procedures for the submission of property and casualty Rate, Rule and Form filings	Rule R590-225	See Rule